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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/788,302	02/15/2001	Gregory Sheldon	TI11-001	1499
21567	7590	09/26/2005	EXAMINER	
WELLS ST. JOHN P.S.			LASTRA, DANIEL	
601 W. FIRST AVENUE, SUITE 1300			ART UNIT	PAPER NUMBER
SPOKANE, WA 99201			3622	

DATE MAILED: 09/26/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/788,302

Applicant(s)

SHELDON ET AL.

Examiner

DANIEL LASTRA

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 30 June 2005.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-6 and 8 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-6 and 8 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

1. Claims 1-6 and 8 have been examined. Application 09/788,302 (Integrated frequency and award redemption program for installment based receivables behavior modification and customer loyalty management) has a filing date 02/15/01.

***Response to Amendment***

2. In response to Non Final Rejection filed 03/31/2005, the Applicant filed a Request for Reconsideration on 06/30/2005.

***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-6 and 8 are rejected under 35 U.S.C. 102(e) as being anticipated by Marshall (US 2002/0116266).

As per claims 1, 3, 4 and 6, Marshall teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments, said method comprising:

Identifying at least one selected member making installment payments as a candidate for an incentive program to affect behavior (see paragraph 56)

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providing a lender-based Internet webpage accessible to at least one selected member, via a computer system, for on-line interactive communications between said selected member and said lender-based Internet webpage (see paragraph 11);

offering, on said lender-based Internet webpage, installment payment schedule information to said selected member (see paragraph 13);

providing a pre-enrollment file identifier of the at least one selected member to the incentive program computer system (see paragraph 10);

providing said selected member notice of eligibility for the incentive program (see paragraph 54);

receiving an enrollment request from said selected member (see paragraph 54);

receiving identifier data and payment behavior data of the selected member (see paragraph 13);

determining whether said selected member qualifies for one or more non-cash award points based on said selected member payment behavior data (see paragraph 13);

calculating said non-cash award points according to a preprogrammed formula if said selected member qualifies for said non-cash award points and issuing said non-cash award points to an account of the selected member if the selected member qualifies for said non-cash award points, wherein said non-cash award points are redeemable by the selected member for a non-cash award (see paragraph 13).

As per claims 2 and 5, Marshall teaches:

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A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, said method further comprising the step of offering, on said lender-based Internet webpage, electronic installment payment capability to said selected member (see paragraph 13).

As per claim 8, Marshall teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, and further wherein the payment behavior data is one or more timely installment payments (see paragraph 13).

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-6 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Early Payment in view of Lawlor (US 5,870,724) and further in view of Storey (US 6,578,012).

As per claims 1, 3, 4 and 6, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments, said method comprising:

Identifying at least one selected member making installment payments as a candidate for an incentive program to affect behavior (see Early Payment paragraphs 1-4)

providing a lender-based Internet webpage accessible to at least one selected member, via a computer system, for on-line interactive communications between said selected member and said lender-based Internet webpage (see Lawlor column 44, lines 7-12);

offering, on said lender-based Internet webpage, installment payment schedule information to said selected member (see Lawlor column 44, lines 7-12);

providing a pre-enrollment file identifier of the at least one selected member to the incentive program computer system (see Storey column 6, lines 12-59);

providing said selected member notice of eligibility for the incentive program (see Storey column 6, lines 12-25);

receiving an enrollment request from said selected member (see Storey column 6, lines 25-37);

receiving identifier data and payment behavior data of the selected member (see Early Payment paragraphs 1-5);

determining whether said selected member qualifies for one or more awards based on said selected member payment behavior data (see Early Payment paragraphs 1-5). Early Payment does not teach that said awards are non-cash award points and calculating said non-cash award points according to a preprogrammed formula if said selected member qualifies for said non-cash award points and issuing said non-cash

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award points to an account of the selected member if the selected member qualifies for said non-cash award points, wherein said non-cash award points are redeemable by the selected member for a non-cash award. However, Storey teaches an incentive program where members earn non-cash award points based upon said member's payment information (see Storey column 6, lines 12-25). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that payees (such as utilities, mortgagors or customers of Longtime Wellborn Paint; see Early Payment paragraph 1) would participate in the Lawlor's system to be able to transmit electronic bills to customers and receive electronic payment from said customers (see Lawlor column 15, lines 45-52) and would use the Storey's system to be able to send said customers a message identifying how many points said customers would earn by enrolling in said payee's on-time payment incentive program. For example, the Early Payment's payee would use the Storey's system to send a customer participating in the Lawlor's online banking system a message such as "By enrolling in the on-time incentive program you will earn X points for paying your bills on-time (see Storey column 6, lines 12-25). Payees, such as Longtime Wellborn Paint (see Early Payment paragraph 1) would be motivated to enroll in the Lawlor's online banking system because this would avoid said payee the processing costs of mailing bills to customers and said payee would be motivated to enroll in the Storey's incentive program as this would allow said payee to offer said customers an incentive program for paying said payee's bills on-time. Customers would be motivated to enroll in the Lawlor's online banking system as this would allow said customers to pay a payee's

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bills electronically avoiding the cost and time of mailing said payment and said customers would be motivated to enroll in the Early Payment and Storey's incentive program as this would allow said customers to earn awards credit for paying said payee's bills on-time and use said earned credit to purchase other products.

As per claims 2 and 5, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, but fails to teach said method further comprising the step of offering, on said lender-based Internet webpage, electronic installment payment capability to said selected member. However, Lawlor teaches a method that offer to a member on a bank Internet webpage, electronic installment payment capability to said member (see Lawlor figures 16A and 16B; column 44, lines 7-12). Therefore, the same argument made in claim 1 is made in 2 and 5.

As per claim 8, Early Payment teaches:

A lender-based method for implementing an on-line incentive program for selected members who are making installment payments as recited in claim 1, and further wherein the payment behavior data is one or more timely installment payments (see Early Payment paragraphs 1-4).

### **Response to Arguments**

5. Applicant's arguments, filed 06/30/2005, with respect to the rejection(s) of claim(s) 1-6 and 8 under Murcko have been fully considered and are persuasive. Therefore, the rejection has been withdrawn. However, upon further consideration, a 35



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U.S.C. 102(e) rejection is made based upon Marshall (claims priority to provisional application 60/263,796 filed January 24, 2001) and a 35 U.S.C. 103(a) rejection in view of Lawlor, Early Payment and Storey.


**Conclusion**

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The Examiner's Right fax number is 571-273-6720.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Daniel Lastra  
September 11, 2005

  
RETTA YEHDEGA  
PRIMARY EXAMINER